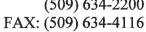


Office of Environmental Trust

The Confederated Tribes of the Colville Reservation

P.O. Box 150, Nespelem, WA 99155

(509) 634-2200





Tuesday, March 29, 2011

Dan Opalski US EPA, Region 10 Office of Environmental Cleanup 1200 Sixth Avenue, Suite 900 Seattle, WA 98101

RE: Upper Columbia River Project Management Inquiries into Tribal GAP

Dear Dan:

On Thursday, March 17, 2011, I received a call from Jim Zokan, the EPA's Tribal Liaison and the General Assistance Program Contracting Officer. Mr. Zokan relayed that Helen Bottcher; the EPA UCR Project Manager called him and made inquiries about the Tribes General Assistance Cooperative Agreement (GAP). She further stated that EPA is concerned about its ability to cost recover expenses under the GAP.

Neither the Tribes' Project Manager, Patti Bailey nor I have received anything in writing or by phone from Ms. Bottcher or EPA Management or Legal Counsel regarding this concern and I'm puzzled as to the purpose of this inquiry.

If EPA is now in a formal process to begin documenting all costs for cost recovery purposes, we would like to have something in writing as to EPA's strategy, timeline and who will be directing this effort. I further find it troubling that EPA, after giving up millions of dollars in penalties and fines at the onset of the UCR Settlement Agreement are now concerned about minimal expenses under the GAP. I was at the negotiating table when the lead federal representative waived all accrued fines and penalties owed by Teck for the EPA order. It was the stupidest and most despicable act I have yet witnessed by a "public servant" in my 35+ years working environmental and natural resource issues.

In addition, Mr. Zokan has told Ms. Bailey and me that he regards any GAP funding spent on UCR as a lost opportunity cost to the Tribe; and as such EPA would probably not seek reimbursement. The Tribe has expended millions of dollars on the Teck lawsuit and will undoubtedly spend a great deal more before we see a nickel from a responsible party. We might end up spending more to reclaim the comparatively small amount spent from our GAP grant than we end up receiving from a responsible party in reimbursement for that expense. In any case, accounting for who is entitled to be reimbursed for what is some ways off.

Sincerely,

Gary Passmore, Director

Office of Environmental Trust

Copy: Shelia Eckman, Elizabeth McKenna, Jim Zokan, Sally Thomas, Keith Cohon

cmails.